

## **Historic, Archive Document**

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# 84 Pro **CORN GROWERS -**



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WOULD YOU deliberately throw away millions of dollars?

That, in effect, is what happens most years when farmers rush corn to market in the first few weeks after harvest.

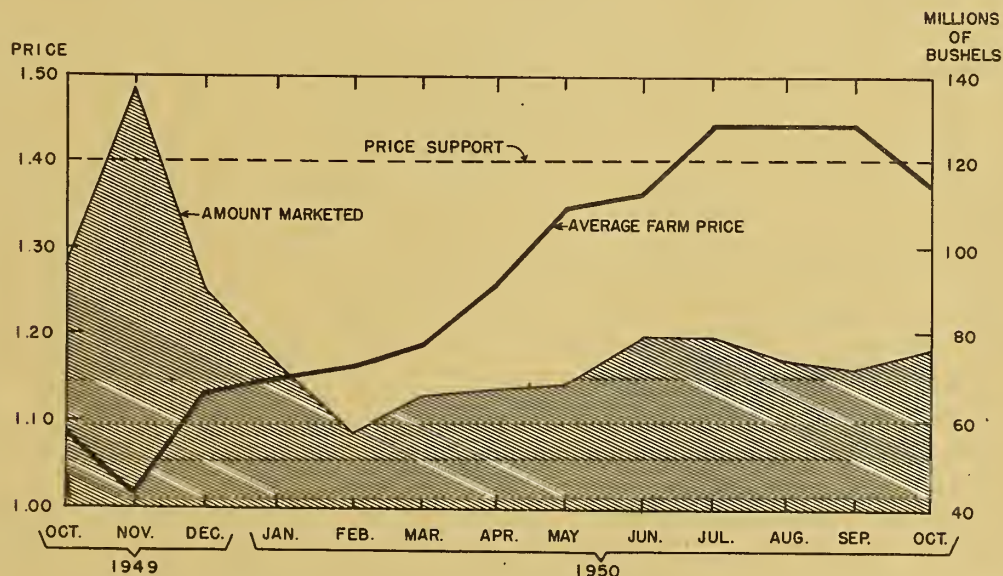
A lot of farmers sold corn about 40 cents below the price-support level after the big crops of 1948 and 1949. Every time a thousand bushels sell 40 cents off, the farmer loses \$400, and the local community where the farmer lives loses the business represented by that \$400.

Farmers don't have to sell that way. By taking advantage of the Commodity Credit Corporation loans and purchase agreements, they are assured at least the support price, and they can market in an orderly way--spread out marketings over the season to protect crop values.

Savings from orderly marketing will go a long way toward paying for any additional storage space needed to house price-support grain.

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A look at the marketing record for the 1949 corn crop--typical for a "big crop" year--shows the importance of stabilized marketing:



More than 40 percent of the total 1949 corn crop sales moved to market from October 1949 through January 1950. Almost 137 million bushels were sold during November alone. On November 15, the average mid-month price dropped to \$1.02 per bushel--38 cents below the Commodity Credit loan rate of \$1.40 a bushel for the commercial corn area. Marketings started to level off in February, and prices were better during the rest of the year.

The average mid-month farm price did not reach the price-support level until July 1950. By that time, nearly three-quarters of a billion bushels of 1949-crop corn had been sold by farmers at prices below the support level.

THAT FIGURES OUT to a lot of lost income--income that farmers could have protected by orderly marketing with the aid of the price-support programs.

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Although DEFENSE REQUIREMENTS served to bolster the prices farmers received for their 1950 and 1951 corn crops, the same pattern of "rise and fall" held in marketings and prices.

A BIG CORN CROP--with high yields in surplus-producing areas--is indicated for this year. The crop is expected to mature early and to be generally of top quality. This is good. Corn is our main feed crop, it stores well, and large reserves are needed for our increased livestock numbers.

ORDERLY MARKETING of this big crop, however, will be especially important to protect the interests of farmers, consumers, and the whole Nation. The corn price supports can help farmers build needed reserve stocks and at the same time stabilize the market.

#### THE CCC CORN PRICE-SUPPORT PROGRAM OFFERS FARMERS --

1. Ready cash in the form of loans on corn stored in approved bins or cribs. The farmer may redeem his crop by paying off the loan, or he may deliver the corn to CCC when the loan matures.
2. Price protection under purchase agreements for farmers who do not want a loan. Under this plan, CCC agrees to buy from the farmer--toward the end of the marketing year--a specified amount of corn of a specified grade at the support price.

Under either loans or purchase agreements, the farm price is protected at the price-support rate. And the producer may feed his corn or sell as the market needs it--after first paying off the loan, instead of dumping too much at harvesttime.

CCC loans and purchase agreements on the 1952 corn crop are available from time of harvest through May 31, 1953.

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GOOD STORAGE is necessary under either plan. If you need additional storage, a CCC storage facility loan--payable over 4 years, at 4 percent interest--will be made for as much as 80 percent of the cost or 45 cents per bushel of the rated storage capacity, whichever is less. Loans are also available for drying and ventilating equipment to condition corn for long-time storage. The loans may be obtained, with the approval of the County PMA Committee, through approved local lending agencies or direct from CCC through the committee.

See your COUNTY PMA COMMITTEE for further details.

U. S. Department of Agriculture  
Production & Marketing Administration

PA-211  
August 1952